

Technical Briefings for 1998/1999 Season

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Technical Briefings (Chargeable Attendance)

Tuesday 26 January 1999

Client/server computing:
 help-desk, configuration, management, asset management,
 change management

Tuesday 20 April 1999

Benchmarking IT, Systems development, Data centre

Late Afternoon Meetings (Free Attendance)

Tuesday 16 February 1999 NT security

Tuesday 18 May 1999 Forensic Computing

Followed by the Annual General Meeting.



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Submission Deadlines

Spring Edition	7th February
Summer Edition	7th May
Autumn Edition	7th August
Winter Edition	7th November

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For more information, phone John Mitchell on 01707 851454.

Editorial Panel

Editor

John Mitchell

LHS – Business Control
Tel: 01707 851454
Fax: 01707 851455
Email: lhs001@aol.com

Academic Editor

George Allan

Portsmouth University
Tel: 01705 876543
Fax: 01705 844006
Email: allangw@cv.port.ac.uk

Book & Product Reviews

John Sillitow

Security Control and Audit Ltd
Tel: 0181 300 4458
Fax: 0181 300 4458
Email: john@scaltd.demon.co.uk

Hotel & Restaurant Watch

Paul Howett

Tesco Stores
Tel: 01992 657101
Fax: 01992 822342
Email: gbbcfzr@ibmmail.com

BCS Matters

Colin Thompson

British Computer Society
Tel: 01793 417417
Fax: 01793 480270
Email: cthompson@bcs.org.uk

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Letters to the editor are welcome as are any other contributions. Please contact the appropriate person on the editorial panel.

Editorial address:

47 Grangewood,
Potters Bar
Herts, EN6 1SL

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EDITORIAL

Once again the festive season is upon us and all the jokes about what auditors get up to over Christmas are coming out: 'Had a great time counting the spikes on the tree'; 'Really enjoyed validating the millennium compliance of next year's wall calendar'; 'A super time checking the control structure to ensure that there was only one sixpence in the pudding'; 'Spent hours checking the wrapping paper for HSE exceptions'. Well, perhaps not really that bad, but you may find a couple of examples in the humour section that are a little too close for comfort.



Some of my clients are now well along the road to satisfying themselves that their organisation will be ready for the millennium, while others are still struggling to become engaged with the problem. One of the training organisations that I work for asked me to provide some millennium courses during this and next year. I initially told them that there would be no takers as most organisations were well along the compliance route. They prevailed on me however, and how right they were. The courses are well attended by organisations who are, in many cases, just starting their compliance programme. One of the worrying things though is the number of people on these courses who review the check list that I provide them with and then, in the course appraisal, state that what I am suggesting they do is too extensive, too complicated and too detailed! I have a little list now of organisations that will certainly not be ready.

In this issue you will find the usual brace of articles from Colin Thompson and Hazel Roberts, supplemented by a little gem from Andrew Hawker on spreadsheet problems. Andrew never ceases to amaze me in the bad things he finds in spreadsheet software which we take so much for granted. Bill Barton has supplied the audited accounts, from which you will see a very healthy financial situation. Yours truly has stepped away from my editing role for a moment to provide you with a little something on outsourcing. Now what was that joke about an auditor and real work

Have a good Christmas and I hope to see many of you at our first Technical Briefing of 1999 - Client/Server computing.

John Mitchell



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Financial Malfunctions

Andrew Hawker

The standard financial functions in a spreadsheet are a bit like power tools - they can save a lot of time and effort, but one false move and they can land you in deep trouble. Ever since Lotus 1-2-3 started offering neat ways of working out net present values, depreciation, and so on, these short-cuts in finance and accounting have been taken for granted as an integral part of spreadsheeting. Microsoft Excel 97 offers more than fifty such functions, of which fifteen come as defaults and the rest as add-ins.

Most of the time these offer a quick and reliable alternative to carrying out what would otherwise be tedious calculations. However, two types of problem have survived through successive releases of Excel: (the weaknesses are not unique to Excel, but it carries a particular responsibility as the market leader). Firstly, there are some functions which do not behave exactly as one might expect. Secondly, the commentary offered on the "Help" screens does not always clarify the situation, and indeed in some cases the advice offered is plain wrong.

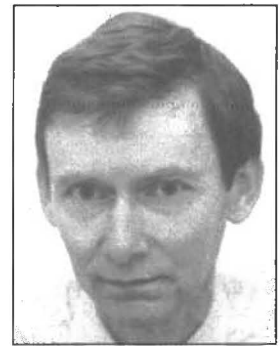
Consider depreciation. For the declining-balance method, Excel uses an intermediate factor calculated to 3 decimal places. This means that if the initial cost of your asset has several significant figures, the numbers produced year by year will not, in the end, add up to the exact difference between the cost and salvage value. (This can be demonstrated simply by adding up the results in a ten-year worked example shown in the relevant "Help" page). Depreciation is not an exact science, and so in most instances this will not matter. On the other hand, it is a potential source of discrepancies, and today's machines would have no problem producing a much more accurate result.

The "month" argument in the same function also has to be treated with caution. The aim of this is to allow for cases where the asset is purchased mid-year, so it is not appropriate to charge a full year's depreciation. But the question then arises as to what should happen in the *final* year. Do you want to write off all the remaining value? Or do you want to carry some over into an extra year? The function does not really help at this point, even though it allows you to sneak in an extra year as, for example, "period 11 of 10". Even then, because of the rather crude way the monthly weightings are calculated, there is no guarantee that your depreciation values will add up to what you might expect.

A final niggle concerns the way different depreciation functions respond to trailing commas. Ideally, of course, you should not leave surplus commas lying around, but if you do, Excel seems to assume that you intended to follow it by a value of zero. This has no effect where the default is zero anyway (as in RATE, where there is an option to put in a future value), but in the case of variable declining balance (VDB) it immediately flips the calculation from declining balance to straight line, dramatically altering the results. In the case of DB and DDB, on the other hand, it takes exception to any trailing commas, and complains.

Functions based on interest and discount rates are another group containing some danger zones. One piece of advice offered repeatedly on the "Help" screens is that annual interest rates can easily be converted to monthly ones by dividing by twelve. This is correct if you are careful to use the nominal rather than the effective interest rate (a distinction not mentioned by the Help texts), or may not matter if the annual rate is only approximate to start with. However in most situations involving loans, annuities, and so on it is vital to use a monthly rate which is slightly less than the annual rate divided by twelve, to allow for monthly compounding. (Indeed,

in a "Help" example for the PV function, the difference is sufficient to change the conclusion drawn in the example, i.e. contrary to the claim in the text, the annuity quoted is actually a good investment).



The NOMINAL function can be used here, but even this is not the complete answer (since the result still has to be divided by twelve). There is perhaps a case for a new MON or MONINT function that will take an effective annual rate and convert it into a monthly one. Users could then be advised to adopt this approach in all the interest-based functions (such as PMT, NPER etc), with a much better chance of getting the right answer.

Another long-standing problem area is the use of "Year Zero" in calculating present values. The NPV function discounts the first value you give it (which must therefore belong to "Year One"), and the "Help" makes this abundantly clear. Nevertheless it is too easy to assume that a sensible function would "net" everything correctly, starting with an initial investment in year zero at present values. Indeed, this is how the more sophisticated XNPV (which allows dates of cash flows to be specified) *does* work. Perhaps, like the qwerty keyboard, we just have to accept that NPV works the way it does, and pass on the grief to future generation, but I sometimes wonder if it is not too late to re-invent it. It is also possible that discrepancies can arise in functions based on NPV, such as MIRR, especially if the option is used to apply different rates for positive and negative cash flows, but I have to confess to not having encountered a problem where this would matter. No doubt a Journal reader will put me right.

As spreadsheets become a standard weapon in the accountant's armoury, I wonder if we should not become a bit more demanding about what goes on in respect of the financial functions, and insist that the principles underlying them are explained more carefully. For example, if I use IPMT to work out the interest element involved in periodic payments, it is quite important to know how this figure is derived: (one must first know how the periodic payment itself has been worked out). None of this is really explained in the "Help" pages. That is, of course, assuming that the "Help" pages have been consulted in the first place, because the lazy option of "Insert Function" is always to hand, and there is always a temptation to pick out a function which appears to do the required thing and just give it a whirl. Here again the power and convenience of GUI is resulting in new traps for the unwary.

Should we be a bit more restive about this situation? What we are seeing is the emergence of numerous ways in which plausible results can be generated at great speed, apparently using the best and most accurate technology, and then be quite seriously adrift. Surely computer auditors already have enough to do, without being called on to sort out the misjudgements and errors caused by people running aground as a result of the snares in their everyday software?

Andrew Hawker Department of Accounting & Finance, University of Birmingham, Birmingham B15 2TT 0121 414 6675

Facilities Management and the Computer Auditor

John Mitchell

"Lots of folks confuse bad management with destiny" Kin Hubbard

INTRODUCTION

Facilities Management (FM), outsourcing, bureau utilisation, all tend to relate to the same thing so far as I.T. is concerned. Having someone else run part, or all, of your information systems work for a charge. Simple in concept, actually quite simple in practice, but full of complications in moving from one state to the other.

Because Audit is becoming increasingly involved in Value for Money studies, I have slanted this paper to deal primarily with the contribution, or otherwise, that FM can make to the profitability of the organisation. More importantly I have concentrated on those areas where Audit can have a significant impact in helping management to make correct decisions. This latter point is not because we wish to usurp the management role, but because we have a special understanding of the relationship between the business, I.T., internal control and profitability.

THE MAIN FM STAGES

The main FM stages are:

- ◆ initial concept
- ◆ business case
- ◆ service levels
- ◆ invitation to tender
- ◆ tender evaluation
- ◆ the contract
- ◆ subsequent monitoring.

THE INITIAL CONCEPT

Businesses should always be looking for ways of doing things better. Regular VFM reviews should be a standard practice within any business and ways of obtaining better efficiency, effectiveness, or economy should be constantly sought. In most companies I.T. is not the core business. It is simply an enabling mechanism to help achieve the three 'E's. As such it is an area which itself should be subject to VFM review.

In some cases the 'prod' to consider alternatives will come from outside, as happened in the public sector with the concept of 'market testing'. In most instances however, the 'prod' should come from within. As I.T. is not core business, then one of the options that should be considered is to have that service provided by someone else. In much the same way that most organisations use a third parties for the supply of their communications, heating and vehicle fleet.

THE BUSINESS CASE

Most in-house I.T. departments have large development and maintenance backlogs and tend to suffer skills shortages in one area, or another. The temptation to look outside for a solution to these

problems may well lead to a decision to go for a full blown FM contract, alternatively it may be decided that only part of the I.T. service (typically computer operations) is to be provided from outside.



However, for the business case to be evaluated we need to know how much the internal I.T. function is actually costing the business and what level of service the company is receiving in return. Thus, the two important factors are:

- a) how much does it cost;
- b) what level of service is provided?

The basic business rules then apply; the company should only go outside if its cheaper to do so for the same level of service, or if the outside supplier can provide something which cannot be provided economically from within (such as a 'hot-standby') and which is essential to the business strategy.

Audit has a role to play in checking that the both the full and marginal I.T. costs are correct and that the supplied levels of service are accurate and verifiable.

THE COST OF IN-HOUSE I.T.

The 'how much does it cost' question is often difficult to answer. I have audited several I.T. cost recovery mechanisms which were under recovering by as much as 50%, due to the non-inclusion of power and accommodation costs. Many organisations have no idea at all what I.T. costs them and I know of at least one that decided to go out to tender for FM without attempting to discover how much it cost them internally. How they made a sensible business decision I will never know!

We need to know both the full and marginal costs, and preferably at a level of detail which will enable us to do 'what if' evaluations on individual components, such as computer operations, or systems development. Computer Audit can play a valuable role in this process as we understand I.T., accounting and the business.

THE INTERNAL SERVICE LEVELS

The 'what do we get in return' question is best answered by the introduction of Service Level Agreements (SLAs). If there are no existing service levels then it is going to make it difficult to ascertain whether an FM provider is going to provide a better service. SLAs are so important to the whole concept of FM that I will spend a little time looking at them in more detail.

For the purposes of this paper an SLA is defined as "an agreement between the service provider and the user, which quantifies the minimum acceptable service to the user for a given price".

The Prime Factor

The most important aspect of today's IT is the supply of a high quality real-time service. This requires that the users are able to access and update their data during times appropriate to their work and receive a response time that complements the completion of that work.

As any unavailability, or unacceptable response, is immediately apparent to the user, it is usual for the computer and its supporting communications network to be sized to provide an acceptable level of service during the peak usage period of any day. This sizing is a delicate balancing act which requires all its components to be appropriately tuned. It is no use, for example, in having a computer with very fast memory, if its disk drives and communication lines are slow.

Ultimately, the provision of the real-time service determines the service levels of any batch, or multi-access service provided on the same machine.

SLA Hierarchy

SLAs should be prepared in a hierarchical "cascade" manner. This means that there is a single high level SLA for the installation as a whole, from which further SLAs cascade downwards. The next level relates to the facilities provided on the installation (TP, MAC, Batch, etc.), while the final level deals with the user application systems themselves.

This approach prevents anomalies being created, in that it is impossible for an individual application to have a higher level of service than the facility under which it runs, or for a facility to have a better level of service than that applied to the installation as a whole.

This is illustrated schematically, for an ICL installation, in Figure 1.

The lower the level of SLA, the greater its detail. For example, the SLA for the entire installation simply defines an availability factor in time and percentage terms. The next level, the facilities, additionally defines start and finish times, while the final level will include expected real-time response and/or batch turnaround times for the application concerned.

A few "blanket" SLAs will be needed to cover the areas of the help desk, micro computing and system maintenance/development. This is in recognition of the wide coverage of these areas across many different departments and owners.

Supplier & Client Identification

Each SLA is effectively a contract and as such should ideally be agreed between the resource supplier, usually the IT Section, and the application owner. In the cases of shared systems, the identification of a clear owner may be clouded by the modular nature of the system.

The SLAs are better prepared on this one-to-one basis. If the owner of a particular system feels the need to have separate SLAs with his/her users, then that is up to him/her. The thing to remember is that the user SLAs cannot have a higher level of service than that provided to the owner.

Constraints

Internal SLAs are usually prepared under the following constraints:

- a) use of existing hardware & software;
- b) use of the existing communications network;
- c) maintenance of current staffing levels;
- d) maintenance of existing working hours;
- e) no change to any other internal services, such as internal post.

Any improvement in the existing service levels could only be obtained if the above constraints are removed, or modified, in some way. This in itself is likely to involve additional expenditure which will need to be taken into consideration when comparing internal with the likely external costs of providing the same service level.

We can play a valuable role in helping the organisation to validate its levels of service provision.

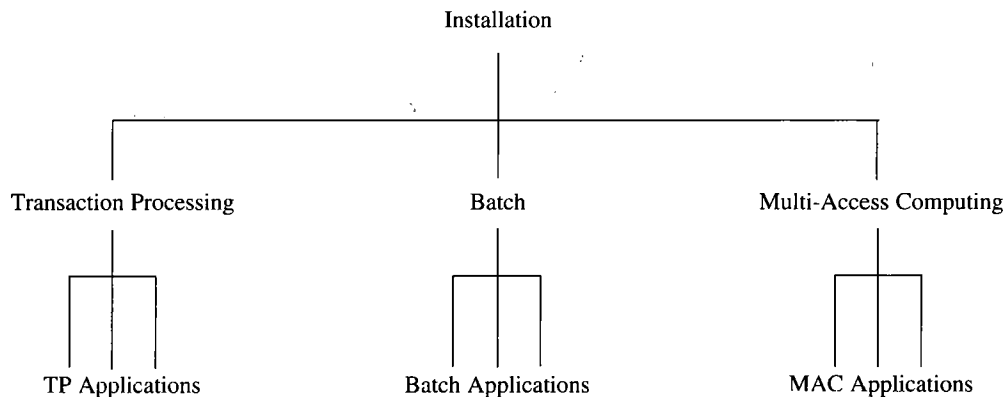


Figure 1

THE INVITATION TO TENDER (ITT)

The ITT can be as detailed, or as brief as one wishes. The potential FM companies will ultimately need to know a lot about your company and its I.T. so you may as well gather the information in advance and put it into a structured volume. Even if you don't make it initially available to everyone, you will undoubtedly have to part with it at some time to serious contenders.

You may want to limit the number of potential bidders anyway. There are at least 60 companies out there that may be interested. Do you really want all 60 of them swarming all over you? In some cases it may be out of your hands, in that recent European Community legislation requires contracts over the value of ECU200,000 to be advertised in the EEC journal, but this doesn't mean that you have to invite everyone who replies to bid.

Any FM company worth its sort will want to conduct its own 'audit' of your company's I.T.; especially if you are asking them to take on your existing hardware, software and people as part of the deal. In fact, this last area is the one that you should pay most attention to.

THE HUMAN FACTOR

Most people don't like change. They like it even less if it is likely to affect their livelihood. You cannot afford to upset your I.T. people during the move to FM. Don't try to pull the wool over their eyes, it won't wash. Tell them up front and concentrate on the advantages to them: better career opportunities; better training; better everything in fact. If that doesn't work tell them the downside of staying with you; no job!

Most organisations don't spend enough time on the people side of things.

RESPONSIBILITY

Many organisations believe that moving to FM absolves them of all responsibility for I.T. Nothing could be further from the truth. They still have to tie in I.T. with their business goals, they still have to monitor the performance of the FM supplier, they still have to think about the future.

EVALUATION CRITERIA

I strongly recommend that before going out to tender that you prepare some evaluation criteria to make the subsequent selection

easier. List the 'essentials', followed by the 'desirables', followed by the 'gee wiz' factors. Don't forget that technology is always changing, so you would expect the bidder to mention how he will cater for such changes.

THE CONTRACT

Ultimately you leave this to the lawyers, but initially write down in clear layman's terms what you expect from the deal. Include the SLAs and how much you are willing to pay for the service and suggest a few 'sanctions' for non-conformance. Then hand the whole thing over to the legal boys (and girls) and go away for a couple of months. When the lawyers have finished with it, take it back, take a week away with another person who you can trust, and then read over your layman's guide against the contract. Query anything that you don't understand with the lawyers, until you believe that you understand the contract and that it appears to agree with what you wanted in the first place.

CONTRACT MONITORING

All organisations which have moved to FM find that they still need to employ a number of staff to monitor for compliance with the contract. The number of staff will vary depending on the scale of the operation.

As the SLAs are effectively contracts between two parties, it is conceivable that disputes may arise over the provision of the service. This is more likely where the recipient of the service is required to pay for it, as would be the case under an FM agreement.

Where an average availability, or response time, is stated it will be necessary to define exactly what is meant, determine the period over which it will be measured and how the average will be calculated.

CONCLUSION

Internal Audit can play a significant role in any move to FM. It should always ask the question 'is this going to be value for money?' Likewise we must remember that if I.T. can be outsourced, then so can Internal Audit!

GUIDELINES FOR POTENTIAL AUTHORS

The *Journal* publishes various types of article.

Refereed articles are academic in nature and reflect the Group's links with the BCS, which is a learned institute governed by the rules of the Privy Council. Articles of this nature will be reviewed by our academic editor prior to publication and may undergo several iterations before publication. Lengthy dissertations may be serialised.

Technical articles on any IS audit, security, or control issue are welcome. Articles of this nature will be reviewed by the editor and will usually receive minimal suggestions for change prior to publication. News and comment articles, dealing with areas of topical interest, will generally be accepted as provided, with the proviso of being edited for brevity. Book and product reviews should be discussed with the appropriate member of the editorial panel prior to submission. All submissions should either be on double spaced, single-sided A4 paper, or on PC format diskette in Microsoft Word, Ami-Pro, or ASCII format. Electronic submission is preferred.

Submissions should be accompanied by a short biography of the author(s) and a good quality monochrome photograph, or electronic image.

Humour Pages

(Just to disprove the addage that auditors are simply actuaries, but without their sense of humour - Ed.)

There once was a coder named Grace
Who, in dropping two digits, saved space.
"It's not really a crime!
We'll fix it in time!"
She's now working late, to save face . . . and make a lot of money!



CHRISTMAS CRACKER

The Christmas Day (Third Directive) Regulations 1996 was laid before Parliament on 10 December 1996. These regulations enact the Third Christmas Directive (EEC/236/1994) and replace the Christmas Pudding Misuse Act 1992 and the Date and Nuts Protection Act 1986, both these Acts are now repealed.

These provisions complete the European Commission's aim to establish a single European Christmas or Euomas. We must thank Mr Major for his firm stand at Maastricht which has give Britain several exemptions. For instance, the standard cooking time for brussels sprouts will remain at 90 minutes, rather than the 10 minutes foisted on the rest of Europe by the French. Major had to buy the co-operation of the Germans but I do not think that wearing lederhosen on Christmas morning is too high a price to pay, although many may draw the line at the thigh slapping dance before carving the Christmas bratwurst.

Of course the Queen's speech had to go, it has been replaced by

the Eurofilm. The French wanted *Manon des Sources*, but thanks to Mr Major the compulsory film of Christmas afternoon until 2005 will be that good old English classic *Chitty Chitty Bang Bang*. (so no change there - Ed).

The euroexec standard gift to his/her secretary will be Belgian chocolates wrapped by the shop, although there are transitional provisions which allow the traditional half pound of Black Magic in a brown paper bag to be given for any Christmas falling before 23 December 1999.

I will be circulating these regulations together with a paper outlining the measures designed to prevent the Spanish buying up British Christmas Pudding quotas. The European Commission wish you a

FITNESS FOR PURPOSE?

The British Military write OFR's (Officer Fitness Reports). The form used for Royal Navy and Marines fitness reports is the S206. The following are actual excerpts taken from people's "206's"

- His men would follow him anywhere, but only out of curiosity.
- I would not breed from this Officer.
- This Officer is really not so much of a has-been, but more of a definitely won't-be.
- When she opens her mouth, it seems that this is only to change whichever foot was previously in there.
- He has carried out each and every one of his duties to his entire satisfaction.
- He would be out of his depth in a car park puddle.
- Technically sound, but socially impossible.
- The Officer reminds me very much of a gyroscope - always spinning around at a frantic pace, but not really going anywhere.
- This young lady has delusions of adequacy.
- When he joined my ship, this Officer was something of a granny; since then he has aged considerably.
- This Medical Officer has used my ship to carry his genitals from port to port, and my officers to carry him from bar to bar.
- Since my last report he has reached rock bottom, and has started to dig.
- She sets low personal standards and then consistently fails to achieve them
- He has the wisdom of youth, and the energy of old age.
- This Officer should go far - and the sooner he starts, the better.
- In my opinion this pilot should not be authorized to fly below 250 feet.
- The only ship I would recommend this man for is citizenship.
- Works well when under constant supervision and cornered like a rat in a trap.
- This man is depriving a village somewhere of an idiot.
- Only occasionally wets himself under pressure.

Humour Pages

A business man was interviewing applicants for the position of divisional manager. He devised a simple test to select the most suitable person for the job. He asked each applicant the question, "What is two and two?" The first interviewee was a journalist. His answer was "Twenty-two." The second applicant was an engineer. He pulled out a slide rule and showed the answer to be between 3.999 and 4.001. The next person was a lawyer. He stated that in the case of *Jenkins v. Commr. Of Stamp Duties (Qld)*, two and two was proven to be four. The last applicant was an accountant. The business man asked him, "How much is two and two?" The accountant got up from his chair, went over the door and closed it and came back and sat down. He leaned across the desk and said in a low voice, "How much do you want it to be?" He got the job.

A fellow has been learning to be a balloonist and takes his first solo flight. Unfortunately the wind gets up, he is blown off course and is forced to land. He is in a paddock close to a road but has no idea where he is. He sees a car coming along the road and hails it. The driver gets out and the balloonist says, "G'day mate, can you tell me where I am?" "Yes, of course," says the motorist. "You have just landed in your balloon and with this wind you have obviously been blown off course. You are in the top paddock of John Dawson's farm, 13.5 kilometres from Condobolin. John will be ploughing the paddock next week and sowing wheat. There is a bull in the paddock. It is behind you and about to attack you." At that moment the bull reaches the balloonist and tosses him over the fence. Luckily he is unhurt. He gets up, dusts himself off and says to the motorist, "I see you're an accountant." "Good grief", says the other man, "you're right. How did you know that?" "I employ accountants," says the balloonist. "The information you gave me was detailed, precise and accurate. Most of it was useless and it arrived far too late to be of any help."

What's the definition of an accountant? *Someone who solves a problem you didn't know you had in a way you don't understand.*

What's the definition of a good tax accountant? *Someone who has a loophole named after him.*

When does a person decide to become an accountant? *When he realises he doesn't have the charisma to succeed as an undertaker.*

What does an accountant use for birth control? *His personality.*

What's an extroverted accountant? *One who looks at your shoes while he's talking to you instead of his own.*

What's an auditor? *Someone who arrives after the battle and bayonets all the wounded.*

Why did the auditor cross the road? *Because he looked in the file and that's what they did last year.*

There are three kinds of accountant in the world. Those who can count and those who can't.

What's an accountant's idea of trashing a hotel room? *Refusing to fill out the guest comment card.*

What's the most wicked thing a group of our accountants can do? *Go into town and gang-audit someone.*

What do accountants suffer from that ordinary people don't? *Depreciation.*

An accountant is someone who knows the cost of everything and the value of nothing.

An accountant is having a hard time sleeping and goes to see his doctor. "Doctor, I just can't get to sleep at night." "Have you tried counting sheep?" "That's the problem - I make a mistake and then spend three hours trying to find it."

WOULD YOU LET THEM?

The following letter was a genuine attempt to drum up business.

Dear Sirs,

Re: REPRESENTATION IN INDIA

Being knee-deep in, in a complex business, which is full of pitfalls obvious or hidden you sure would be intending to enter India, which also means you should care not to shoot yourself in the foot. Smooth entry, if you have not already entered our country having gone of late global, or your choice turned out to be a damp squib. You have every right to look our way.

Yes, we can represent you in India. We are not a decorative piece or state-of-the-art establishment. We have a great heart and a winning but compact team, prepared to take on any challenge. Being achievers-against-all-odds, we deliver goods by hook or by crook. We pull no punches. Indefatigably we can meet your targets, We trust none, so you will find our eyes and ears open even in our sleep.

We would be thrilled to bits to be elected your representative in India. Your briefing and brochures are eagerly awaited with your reply. We have a bluff manner. You can feel free to talk shop rightaway, your terms and conditions included.

We expect you to get cracking in our favour or put your actual feelings into your letter by mail or fax.. We are touchwood, game

Best Regards

Yours faithfully



Colin Thompson
BCS Marketing Director

Colin Thompson, BCS Marketing Director, reviews some of the current BCS news items. Requests for further information on these, or any other BCS related issues should be addressed to Customer Services at the British Computer Society, 1 Sanford Street, Swindon SN1 1HJ, or by e-mail to marketing@hq.bcs.org.uk

The Pollard Review

I start with the subject that took up almost the whole of my column in the last edition - the Membership Review conducted by the Working Party chaired by Alan Pollard. To recap, the main recommendations were:

- The Society should be an inclusive organisation, as far as possible welcoming all those wishing to join.
- BCS membership strategy should be market led
- The scope of BCS professional membership should be broadened to include practitioners who do not satisfy existing requirements.
- In the interest of improving progression into professional membership the experience requirement for AMBCS, should be reduced, possibly down to one year for those with appropriate academic qualifications
- For the same purpose, the 15 year requirement under the experience only routes should also be reduced significantly.
- There should be a more flexible entry to AMBCS based on recognition of a wider range of qualifications, including for e.g. Novell and Microsoft certifications.
- In the interest of broadening the scope of membership, professional grades should be subdivided into 3 sections - Engineering and technology, Management and Education.
- Affiliate status should be retained, and a new status of Accredited Affiliate should be available to those with relevant qualifications. For this

purpose, BCS should recognise a wide range of qualifications, including ISEB certificates, Microsoft/Novell qualifications and others.

Member reaction to these proposals has been very positive and, in October, the recommendations were endorsed by Policy and Resources Committee subject only to reservations regarding the subdivision of the professional grades. More recently, on 25 November, Council gave approval for the next stage of the work, to build the plans for implementation. Subject to final approval from Council, I would expect that implementation to commence during the latter half of next year. Further information on progress will be available through the Web site, the Computer Bulletin and, of course, this column.

The new BCS President

Ian Ritchie was installed as the new BCS President at the 1998 AGM held in Edinburgh in October. This was only the second time the Annual meeting had been held outside London and the choice of Location had much to do with the fact that Ian has been, and still is, a very active member of the Edinburgh Branch.

Ian joined the Society whilst at University and is the first BCS President to have come through the ranks from Student Member. He has been a member of Council for some years, serving as Vice President Technical, the Vice President Engineering before becoming Deputy President last year.

The AGM also confirmed Dr David Hartley as the Deputy President for the coming year. David is currently the Director of the Cambridge Crystallographic Data Centre and a Fellow of Clare College, Cambridge. Previously he had a long career as Director of the University Computing Service at the University of Cambridge followed by a period as Chief Executive of UKERNA. David has also served the BCS as Vice President Technical and Vice President External Relations.

Amongst other changes at senior level, Mike Allen takes over from Gerry Fisher as Hon Treasurer and John Ivinson succeeds Mike as VP Professional and Public Affairs. The VP Branches responsibility has also changed - from David Holdsworth to Frank Moran - and Wendy Hall has taken on the new role of VP Publications.

IT Awards 1998

Early November saw the culmination of the 1998 BCS Awards scheme, with the announcement of three winning projects, from HM Land Registry, the Open University and Quality Systems and Software. The Defence Medical Services Telemedicine System received a special commendation.

The Award to the Land Registry was for a conveyancing pilot that provides GIS information over the internet, bringing together information on land and property from private and public sector sources including: Ordnance Survey, The Law Society and Local Government systems

M206, the course that won the award for the Open University, is the largest computing course in the world with 5100 students. It emphasises Object Technology, network based computing and Human Computer Interaction and utilises CD-ROM, TV, the Web and computer conferencing in addition to traditional methods.

The third of the awards was for a project known as DOORS, a cross-platform tool for storing and managing project information. Data is organised into 'projects' composed of 'modules' comprising 'objects' which store the basic user defined data. Access to all objects and modules is controlled and detailed audit trails ensure traceability of all entries and amendments.

The special commendation went to the Defence Medical Services for a system that aims to provide a standard of field medical care to UK Forces, as good as that available at home. This system integrates digital cameras, image manipulation, satellite telephony, e-mail and video. A camera image is loaded onto a laptop, then attached to an e-mail giving clinical details and sent via satellite to the hospital; the specialist's response is returned by e-mail.

BCS MATTERS

New Financial Services Specialist Group

Among the new BCS Specialist Groups approved recently is one designed to provide a forum for those involved in IT in financial services, to discuss unique common problems and issues of the day. The group has an extensive range of subjects for discussion and an active programme of events for the coming year. Further information is available from Roger Baker (RojBaker@aol.com) or BCS Specialist Groups Liaison: 01793 417472

New BCS Publications

The BCS continues to add to the list of practical guidance reports, which have been so successful over the past two years. Data Protection - Everybody's Business, published in October, is a guide to the 1998 Data Protection legislation. With the arrival of the Data Protection Act in October a new set of requirements was imposed on almost every company in the country. The new report, produced by a Working Party of the Data Protection Committee, aims to provide guidance on all the key issues and is designed essentially for those who have neither time nor the inclination to wade through the legislation. The report is available from Customer Services (01793 417411) at £10 for BCS members and £15 for non-members.

Also published recently is the latest BCS Yearbook, the BCS Review and Directory 1999. The Review contains articles on a broad range of subjects including:

- IT Strategy
- Year 2000 and the Euro
- Emerging Technologies
- Networking
- Online and E-Commerce
- Data Storage
- Mobile Computing
- Software Development and Applications
- Information Management
- Systems Management
- Change Management
- Safety Critical Systems
- Multimedia and Electronic Publishing
- Education Training and Recruitment

The accompanying CD-ROM offers a full listing of all BCS professional members, with upgraded search facilities. It contains a full multi-media version of the Review, together with archives of the past two years of the Computer Bulletin and Computer Journal. Also included this year is a demonstration version of the Industry Structure Model, the industry standard BCS professional development matrix.

The Review and Directory is available at £20 for members and £75 for non members.

Worklink

Anyone looking for a placement student might like to look at Worklink, a new, BCS national work placement system designed to increase work experience opportunities available to current and prospective members of the BCS Young Professionals Group.

WorkLink is an Internet recruitment

software system that helps students to create a quality, 'achievement-based' CV and has been specially designed for the Society by recruitment software developers, IntraSolve. The system has been designed to guarantee complete confidentiality for candidates.

Companies offering work placement opportunities or looking for newly qualified graduates can search for candidates by the relevant skills and achievements they require rather than by basic details. They do not have access to contact details but the system enables them to send e-mails to selected candidates.

The scheme was launched by Ian Ritchie in early November and had produced its first successful placement offer to a student within two weeks.

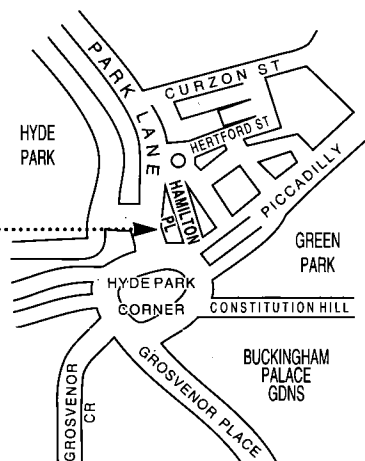
And Finally

The 1998 AGM was held at the Brewery in London on 25 November. Approximately 500 guests attended and heard Laurie Taylor, of Radio 4's Afternoon Shift, give an entertaining after dinner speech. Presentations at the dinner included Honorary Fellowships for four long serving members of the Society, Roger Baker, John Leighfield, Bernard Richards and Colin Theaker and the new Lovelace Medal for Chris Burton and Michael Jackson.

And if you have your 1999 diary handy, you might like to note that next year's dinner will be held on 24th November.

Venue for Technical Briefings

Royal Aeronautical Society,
4 Hamilton Place
London W1V 0BQ



Library Update

Hazel Roberts - BCS Librarian



As we are approaching the end of the year and the millennium is drawing closer, concern for computer systems crashing around the world are increasing. There are many books and publications on the market to help IT people, who could be affected by the problem, cope with the crisis. The IEE/BCS library has quite a large section of these books which focus on the year 2000 date problem. A few of the recent book acquisitions are listed below.

We also have a few new titles on computer security, internet security, auditing, computers and law.

If you would like further information on our book or journals stock in the library you can either contact us by phone, fax, e-mail or in person. Contact details are at the end of this column. Our library catalogue, books and journals, is also available to search on the internet at the following URL: <http://www.iee.org.uk/Library/>

New titles available in the IEE/BCS Library:

YEAR-2000-DATE-CHANGE:

ORGANISATION FOR ECONOMIC CO-OPERATION AND DEVELOPMENT
The year 2000 problem: impacts and actions. PUMA(98)10/Final
OECD
1998

YOURDON E, YOURDON J
Time bomb 2000: what the year 2000 computer crisis means to you.
Prentice-Hall
1998
ISBN: 0-13-095284-2

BRAITHWAITE T
Evaluating the year 2000 project: a management guide for determining reasonable care.
Wiley, 1998
ISBN: 0-471-25329-4

JONES R
The corporate PC Millennium report
Software Research Ltd
1998
ISBN: 1-871848-03-2

JONES C
The year 2000 software problem: quantifying the costs and assessing the consequences
Addison-Wesley
1998
ISBN: 0-201-30964-5

HALBERSTAM S, TURNER J D C
Countdown to year 2000: a guide to legal issues. (BSI HB 10146)
Butterworths
1998
ISBN: 0-406-89928-2

COMPUTERS AND LAW

RENNIE M T M
Computer contracts
Sweet and Maxwell
1998
ISBN: 0-421-49050-0

NARAYANAM A, BENNUN M
Law, computer science and artificial intelligence
Intellect
1998
ISBN: 1-871516-59-5

SYSTEMS DEVELOPMENT

HALL E M
Managing risk: methods for software systems development
Addison-Wesley
1998
ISBN: 0-201-25592-8

BELL S, WOOD-HARPER T
Rapid information systems development: a non-specialists guide to analysis and design in an imperfect world.
McGraw-Hill
2nd Edition
1998
ISBN: 0-07-709427-1

AUDIT

CHARTERED INSTITUTE OF PUBLIC FINANCE ACCOUNTANTS
Computer audit guidelines
CIPFA
1998
5th Edition

BRITISH STANDARDS INSTITUTE
Disc PD 3003: 1998: are you ready for a BS 7799 audit? a pre-certification assessment book
BSI
1998
ISBN: 0-580-29552-4

You can contact the library by, phone, fax, e-mail or in person. The library is open from 9.00 am until 5.00 pm, Monday to Friday.

If you are unable to visit the library and would like to find out what books and journals are in the library then you can search the library catalogue on the internet via the IEE web site (www.iee.org.uk). From the IEE Home page click on SERVICES, then click on LIBRARY, you shall then be on the library home page. To find the catalogue from here you need to select LIBRARY CATALOGUE- BOOKS or PERIODICALS

FROM THE CASH BOX

Commentary

The Group realised a surplus for the year of £1,964 from its activities.

There were falls in subscription income and income from our technical briefing sessions compared with the prior year. However these were offset by reduced journal costs and reduced technical briefing costs due to lower numbers. The Technical Briefing sessions continued operate at a profit.

We still have significant cash balances of approximately £33,500 to be utilised. So if you have any constructive ideas for the use of these funds please contact the Chairman John Bevan.



Bill Barton - Treasurer

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 30 APRIL 1998

	1997/98	1996/97
	£	£
Income		
Technical Briefing Sessions and other meetings	8,604	13,942
Subscriptions	5,135	6,294
Interest on Bank Accounts	1,378	1,099
Journal Advertising	500	750
Other Income	18	165
Prior Year Items	252	0
	<u>15,887</u>	<u>22,250</u>
Expenditure		
Technical Briefing Sessions and Other Meetings	7,759	0,886
Journal	4,876	5,758
Printing, Postage and Other Administrative Expenses	1,288	875
	<u>13,923</u>	<u>17,519</u>
Surplus for the Year	£1,964	£4,731
Fund Balance	£	
Fund Balance at 1 May 1997	31,613	
Add 1997/98 surplus	1,964	
Fund Balance at 30 April 1998	<u>£33,577</u>	



Management Committee

CHAIRMAN	John Bevan	Audit & Computer Security Services	01992 582439 john.bevan@virgin.net
SECRETARY	Raghu Iyer	KPMG	0171 311 6023 raghu.iyer@kpmg.co.uk
TREASURER	Andrew Barton	Orange plc	0171 766 1600 andrew.barton@orange.co.uk
MEMBERSHIP SECRETARY	Jean Brown		01803 872775 100125.66@compuserve.com
JOURNAL EDITOR	John Mitchell	LHS Business Control	01707 851454 lhs001@aol.com
SECURITY COMMITTEE LIAISON	John Bevan	Audit & Computer Security Services	01992 582439 john.bevan@virgin.net
TECHNICAL BOARD LIAISON	Allan Brown	Consultant	01803 872775 100125.66@compuserve.com
TECHNICAL BRIEFINGS	Jenny Broadbent	Cambridgeshire County Council	01223 317256 jenny.broadbent@finance.cambscnty.gov.uk
	David Cox	Lombard North Central plc	01737 776286 dcox@lombard.co.uk
	Mike Demetriou	Lombard North Central	01737 744111 mdemetriou@lombard.co.uk
	Jim Jackson	Lombard North Central plc	0181344 5671 jjackson@lombard.co.uk
	Paul Plane	National Westminster Bank plc	0171 726 1000
	Diane Skinner	District Audit	0117 9001418 dskinner@district-audit.gov.uk
	Alison Webb	Consultant	01223 461316 amwebbcam@aol.com

Membership Enquiries to:

Jean Brown
Whiddon Lodge
Abbotskerswell
Newton Abbot
Devon
TQ12 5LG



Membership Application
(Membership runs from July to the following June each year)

I wish to APPLY FOR membership of the Group in the following category and enclose the appropriate subscription.

CORPORATE MEMBERSHIP (Up to 5 members)* £75

* Corporate members may nominate up to 4 additional recipients for direct mailing of the Journal (*see over*)

INDIVIDUAL MEMBERSHIP (*NOT a member of the BCS*) £25

INDIVIDUAL MEMBERSHIP (*A members of the BCS*) £15

BCS membership number: _____

STUDENT MEMBERSHIP (Full-time only and must be supported by a letter from the educational establishment).

Educational Establishment: _____ £10

Please circle the appropriate subscription amount and complete the details below.

INDIVIDUAL NAME: (Title/Initials/Surname)	
POSITION:	
ORGANISATION:	
ADDRESS:	
POST CODE:	
TELEPHONE: (STD Code/Number/Extension)	
PROFESSIONAL CATEGORY: (Please circle) 1 = Internal Audit 4 = Academic 2 = External Audit 5 = Full-Time Student 3 = Data Processor 6 = Other (please specify)	
SIGNATURE:	DATE:

**PLEASE MAKE CHEQUES PAYABLE TO "BCS CASG"
AND RETURN WITH THIS FORM TO THE ADDRESS SHOWN ABOVE**

ADDITIONAL CORPORATE MEMBERS

INDIVIDUAL NAME: (Title/Initials/Surname)	
POSITION:	
ORGANISATION:	
ADDRESS:	
POST CODE:	
TELEPHONE: (STD Code/Number/Extension)	
PROFESSIONAL CATEGORY:	
1 = Internal Audit	4 = Academic
2 = External Audit	5 = Full-Time Student
3 = Data Processor	6 = Other (please specify)

INDIVIDUAL NAME: (Title/Initials/Surname)	
POSITION:	
ORGANISATION:	
ADDRESS:	
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PROFESSIONAL CATEGORY:	
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